

VZCZCXRO9879
OO RUEHDBU RUEHFL RUEHKW RUEHLA RUEHROV RUEHSR
DE RUEHPG #0667/01 1591316
ZNY CCCCC ZZH
O 081316Z JUN 07
FM AMEMBASSY PRAGUE
TO RUEHC/SECSTATE WASHDC IMMEDIATE 9189
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RUEHNO/USMISSION USNATO PRIORITY 1882
RUEAIIA/CIA WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 PRAGUE 000667

SIPDIS

NOFORN
SIPDIS

E.O. 12958: DECL: 06/06/2017
TAGS: [PREL](#) [PGOV](#) [MASS](#) [MARR](#) [EZ](#)
SUBJECT: ERA PASSIVE SURVEILLANCE SYSTEMS - NEW
DEVELOPMENTS, DESTINATIONS, AND REGULATION

Classified By: Political-Economic Counselor Mike Dodman
for reasons 1.4 (b) and (d).

¶1. (C) Summary: ERA Corporation plans to develop a more portable version of the VERA passive surveillance detection system, as well as cooperate with Lockheed Martin on passive coherent location technology. This may present new regulatory challenges in coming years. Post looks forward to working with PM to plan a one-day seminar in Washington on end-use monitoring of military equipment, possibly towards the end of this year. End summary

A NEW, MORE PORTABLE, VERA-E SYSTEM

¶2. (C) Poloff met May 22 with ERA Corporation Chairman Alexander Smith and Vice President for Corporate Development Fred Messina to discuss ERA Corporation's future plans in the field of passive surveillance. According to Mr. Messina, ERA Corporation is actively developing a more compact, lightweight version of the VERA-E passive surveillance system. They plan to introduce this newer VERA-E system to the market by approximately June 2008. Smith and Messina claimed that the ERA Corporation has discussed the new system with its contacts within NATO, and that NATO members are eager to acquire the system as soon as it enters the market.

PCL TECHNOLOGY - LIKELY PARTNERSHIP WITH LOCKHEED

¶3. (C) Smith and Messina shared that ERA Corporation is developing a new passive coherent location (PCL) system, although Smith expressed his doubt that it would be possible to market the new technology for several years. They said that ERA Corporation has taken steps to enter into a joint project with Lockheed Martin, which has an advanced, "fourth-generation" PCL system already on the market. ERA Corporation and Lockheed Martin have begun discussions on intellectual property rights and technology-sharing in order to be cooperating on the development of a new system combining ERA Corporation's updated VERA-E technology with Lockheed Martin's PCL system. The ERA executives forecast that the system developed jointly with Lockheed would be at least five years ahead of its competition. ERA would be the lead company under the arrangement.

POSSIBLE CUSTOMERS FOR EXISTING VERA-E TECHNOLOGY

¶4. (C) Mr. Smith and Mr. Messina reported that several non-NATO countries have approached ERA seeking to buy the current version of the VERA-E system. They said that ERA Corporation is submitting broker contracts to the State Department for sales to Vietnam and Malaysia. Additionally,

Nigeria, Indonesia, and Thailand have expressed an interest in obtaining the VERA-E system. Israel proposed a plan to cooperate with ERA scientists on further developing passive surveillance technologies. Mr. Messina indicated that ERA is not inclined to enter into a technology-sharing agreement with Israel, but is discussing the matter with the State Department.

15. (C) According to Mr. Messina, the ERA Corporation is also interested in becoming a technology supplier to the U.S. Missile Defense Agency in the future. Following the meeting, Poloff forwarded Mr. Messina the contact information for the appropriate officer at the Missile Defense Agency.

CZECH GOVERNMENT POSTPONES U.S.-CZECH SEMINAR ON
MILITARY TECHNOLOGY EXPORT CONTROLS AND END-USE MONITORING

16. (C/NF) MFA CFSP Director Vaclav Balek recently conveyed his apologies for the Czech request in May to postpone a June 5 U.S.-Czech seminar on military export controls and end-use monitoring (Note: This session is the result of a U.S. invitation to the Czech Republic to an interagency seminar in Washington DC on end-use monitoring. End note.) Balek said that an unforeseen reassignment of a key member of staff, and a disagreement with the Ministry of Defense on the correct composition of the traveling party had led to the unavoidable conclusion that they would have to postpone. Balek was optimistic that the Czechs would be ready to travel in the Fall, and said he intends to bring a team to Washington that is capable of improving Czech procedures upon their return to Prague.

COMMENT:

PRAGUE 00000667 002 OF 002

17. (C/NF) With the emergence of a new, more portable VERA-E, and a future PCL system on the way, it appears that the United States will benefit from closer coordination on arms exports in the future. Post looks forward to working with PM to plan a one-day seminar in Washington towards the end of this year. End comment.
GRABER